

JOSEPH ONEBANE (1917-1987)
JOHN G. TORIAN, II (1936-1991)

JAMES E. DIAZ, SR.
TIMOTHY J. MCNAMARA
EDWARD C. ABELL, JR.
LAWRENCE L. LEWIS, III †
ROBERT M. MAHONY
DOUGLAS W. TRUXILLO *
RANDALL C. SONGY
MICHAEL G. DURAND
GREG GUIDRY *
JOSEPH L. LEMOINE, JR. ††
MARK L. RILEY
GRAHAM N. SMITH *
GORDON T. WHITMAN
GARY P. KRAUS
RICHARD J. PETRE, JR.
CHARLES J. BOUDREAUX, JR.
THOMAS G. SMART
ROGER E. ISHEE **
STEVEN C. LANZA
JESSE D. LAMBERT ††*
BRENT G. SONNIER ***
GREG R. MIER ††
FRANK H. SPRUIELL, JR. *
MARIA FABRE MANUEL
MICHAEL P. MARAIST
JOAN LABBE BOUDREAUX

ONEBANE LAW FIRM

A Professional Corporation

SUITE 600 VERSAILLES BOULEVARD
102 VERSAILLES BOULEVARD (70501)
POST OFFICE BOX 3507
LAFAYETTE, LOUISIANA 70502-3507

FAX: (337) 266-1232
TDD: (337) 266-1217
TELEPHONE: (337) 237-2660

WWW.ONEBANE.COM

April 12, 2005

APPLICATION

OF COUNSEL
WILLIAM E. KELLNER
MARK B. OLIVER
CRAIG A. RYAN
GREGORY K. MOROUX
FREDERICK R. PARKER, JR. ††
MICHAEL D. SKINNER
DANIEL C. PALMINTIER

SHREVEPORT OFFICE

400 TRAVIS STREET, SUITE 1000
SHREVEPORT, LA 71101

TELEPHONE: (318) 674-9770
FAX: (318) 674-9775

‡ LL.M. IN HEALTH LAW
† BOARD CERTIFIED TAX ATTORNEY
LL.M. IN TAXATION
†† REGISTERED PATENT ATTORNEY

* ALSO ADMITTED IN TEXAS
** ALSO ADMITTED IN MISSISSIPPI
*** ALSO ADMITTED IN OKLAHOMA

6490-64280

Honorable James H. Welsh
Commissioner of Conservation
Louisiana Office of Conservation
P.O. Box 94275
Baton Rouge, Louisiana 70804

RE: Robulus L Zone, Reservoir A
Cibicides Opima Zone, Reservoir A
Gibson Field
Terrebonne Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **DENBURY ONSHORE, L.L.C.** for the calling of a public hearing, after thirty (30) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters in the **Robulus L Zone, Reservoir A**, and the **Cibicides Opima Zone, Reservoir A**, in the Gibson Field, Terrebonne Parish, Louisiana, to-wit:

1. To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas and condensate from each of these reservoirs, such units to be designated ROB L RA SUA and CIB OP RA SUA;
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units, with each tract sharing in unit production on a surface acreage basis of participation;
3. To designate the Denbury Onshore, LLC – Kuntz No. 3 Well as the unit well for each of the proposed units;

4. To designate Denbury Onshore, LLC as the unit operator for each of the proposed units;
5. To provide that any future wells drilled to the Robulus L Zone, Reservoir A, and the Cibicides Opima Zone, Reservoir A, should be located in accordance with the spacing provisions of Statewide Order No. 29-E;
6. To provide that the Commissioner of Conservation should be authorized to reclassify each of these reservoirs by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation; and
7. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Robulus L Zone in the Gibson Field, Terrebonne Parish, Louisiana, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 18,780 feet and 20,300 feet (electrical log measurements) in the Union Pacific Resources Company-CL&F No. 2 Well, located in Section 7, Township 18 South, Range 14 East, Terrebonne Parish, Louisiana.

The Cibicides Opima Zone in the Gibson Field, Terrebonne Parish, Louisiana, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 16,942 feet and 18,200 feet, electrical log measurements (16,744 feet and 17,978 feet, true vertical depth) in the Kelley Oil Corp.-T. Goldsby No. 2 Well, located in Section 70, Township 17 South, Range 16 East, Terrebonne Parish, Louisiana.

No conference to discuss the proposed application was held, as none was requested within the delays provided for by the Rules of Procedure; therefore, no opposition to this Application at the hearing is anticipated.

Pertinent data relating to the proposed application can be obtained, AT THE COST OF THE REQUESTING PARTY, by contacting **Holmes Smart, 200 Audubon Blvd., Lafayette, Louisiana (Phone: 337-232-4031)**.

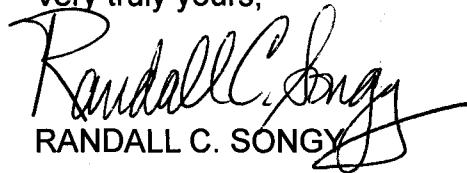
There are attached hereto and made a part hereof plats outlining the proposed units and a list of the names and addresses of the parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties

is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

The original executed Waivers of Production Test in the Field for each of the subject zones are also attached hereto so that they will be included as part of the official record of this proceeding. Copies of these Waivers are being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the Waivers will be provided to any party requesting copies of them.

Finally, enclosed herein is our check in the amount of \$1,510.00 made payable to the Office of Conservation in payment of the required hearing application fee.

Very truly yours,


RANDALL C. SONGY

RCS/elg/bad

Enclosures

cc: Mr. Richard Hudson, District Manager
Office of Conservation

All Interested Owners, Interested Parties and
Represented Parties

P.S. To all Interested Owners, Represented Parties and Interested Parties:

You may have received this Application even though your property is not included in the proposed unit, because the Revised Rules of Procedure require us to attempt to also notify everyone owning an interest in the area "proximate to" the proposed unit.

Your receipt of this Application does not require you to take any action. It is meant to notify you of these proceedings so that you have the opportunity to participate if you so desire.

